(b) the extent of funds to be realised thereby RSU-wise; and

(c) the steps taken in pursuance thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Videsh Sanchar Nigam Limited (VSNL) and Indian Oil Corporation Ltd. (IOCL) have been selected for the first two rounds of disinvestment in the current financial year. The third round is expected to be undertaken after receipt of advice from the Disinvestment Commission.

(b) The extent of realisation from disinvestment will depend on market response both in India and abroad.

(c) (1) Action has been initiated to selecte merchant bankers as global coordinators and lead managers to manage the issues of VSNL and IOCL for the international as well as the domestic segments.

(2) Forty companies have been referred to the Disinvestment Commission for advice on sale and modalities.

imported Machinery in CIL

542. SHRI NAMDEO DIWATHE : Will the Minister of COAL be pleased to state :

(a) whether a large number of machines imported by Coal India Limited and its subsidiaries during the last three years are either laying idle or being underutilised/utilised below rated capacity;

(b) if so, the subsidiary-wise details of machinery/ parts imported thereof during each of the last three years and their utilisation status;

(c) the details of major machinery not being put to use or underutilised and the reasons therefor; and

(d) the steps taken by the Government to make full use of the installed capacity of these machines?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) No, Sir.

(b) to (d). Does not arise in view of reply at (a) above.

Loss of Hard Currency due to Misuse by Russian Importers

543. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "India losing $ 400 m to Russia under debt repayment scheme" as reported in the Statesman dated September 23, 1996.

(b) if so, whether the Government are losing millions of dollars in hard currency yearly due to reported misuse by Russian importers of a scheme for repayment of outstanding debt of the former Soviet Union.

(c) if so, the facts and details thereof; and

(d) the corrective steps the Government propose to take in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) and (c). Under the Inter-Governmental arrangements between India and Russia in 1993, the rupee debt owed by India to Russia is to be used exclusively for India's exports of goods and services to Russia. Some allegations of diversion of exports consignments to third country destinations through production of fake landing certificates, switching of cargoes on high seas, etc. have come to light. These would constitute violations of the Inter-Governmental arrangements agreed between India and Russia in 1993 and of the relevant customs procedures and adversely affect our exports to hard currency markets.

(d) Government take a serious view of such irregularities and are committed to check any illegal diversion of export consignments meant for Russia under the debt repayment route, to third countries. Apart from greater vigilance by the Governments enforcement agencies, such diversion is proposed to be prevented through the following additional measures under consideration :

(i) Exports through consignment sales by way of customs bonded warehouses in Russia.

(ii) Conclusion of a bilateral Customs Cooperation Agreement with the Govt. of Russia to facilitate better monitoring of export consignments by customs authorities of the two countries.

(iii) Insistence upon the Russian side to provide satisfactory proof of landing for export consignments.

Expenditure Management and Reforms Commission

544. SHRI K.P. SINGH DEO :
SHRI KRISHAN LAL SHARMA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Non-plan expenditure of the Government has increased considerably during the last three years;

(b) if so, the details thereof;

(c) whether the Government have set up an expenditure management and reforms commission;

(d) if so, the main objectives and composition of the Commission;

(e) whether the Commission has submitted any report to the Government; and

(f) if so, the main recommendations thereof?